

STATE OF IOWA  
PROPERTY ASSESSMENT APPEAL BOARD

**Lance R. & Patricia Sitzmann,**  
Petitioners-Appellants.

v.

**Plymouth County Board of Review,**  
Respondent-Appellee.

**ORDER**

**Docket No. 11-75-0280**  
**Parcel No. 12-21-258-018**

On January 13, 2012, the above-captioned appeal came on for consideration before the Iowa Property Assessment Appeal Board. The appeal was conducted under Iowa Code section 441.37A(2)(a-b) and Iowa Administrative Code rules 701-71.21(1) et al. Petitioners-Appellants Lance R. and Patricia Sitzmann requested their appeal be considered without a hearing and submitted evidence in support of their petition. They are self-represented. County Attorney Darin Raymond is counsel for the Board of Review. The Appeal Board now having examined the entire record, and being fully advised, finds:

***Findings of Fact***

Sitzmanns, owners of property located at 380 17th Street SE, Le Mars, Iowa, appeal from the Plymouth County Board of Review decision reassessing their property. According to the property record card, the subject property consists of a one-story, frame dwelling having 2845 total square feet of living area; a full basement with 2050 square feet of living-quarters finish; a 555 square-foot, wood deck; a 162 square-foot, concrete patio; and a 64 square-foot, open porch. It was built in 1998. The dwelling has superior quality grade (1-10) and is in normal condition. The property is also improved by a 1496 square-foot, attached garage. The improvements are situated on 0.66 acres.

The real estate was classified as residential on the initial assessment of January 1, 2011, and valued at \$434,840, representing \$60,540 in land value and \$374,300 in dwelling value.

Sitzmanns protested to the Board of Review on the ground the property assessment is not equitable compared to like properties in the taxing jurisdiction under Iowa Code section 441.37(1)(a); the property is assessed for more than authorized by law under section 441.37(1)(b); and there has been a change in value since the last reassessment under sections 441.37(1) and 441.35. The Board of Review denied the protest.

Sitzmanns then filed their appeal with this Board based on the same grounds. We note their claim of downward change in value in an assessment year is akin to a challenge on market value. *See Dedham Co-op Ass'n v. Carroll County Bd. of Review*, 206 WI. 1750300 (Iowa Ct. App. 2006). Accordingly, we consider their appeal on the grounds of equity and over-assessment. They request a reduction in value to \$388,160, allocated \$47,560 to land value and \$340,160 to improvement value.

Sitzmanns offered seven equity comparables they considered comparable to their property.

The following summarizes the comparable information:

<b>Address</b>	<b>Yr Built</b>	<b>Design</b>	<b>Grade</b>	<b>Acres</b>	<b>Base Fin SF</b>	<b>Garage SF</b>	<b>TSFLA</b>	<b>2011 AV</b>	<b>AVPSF</b>
Subject	1998	1 sty frame	1-10	0.660	2050	1496	2845	\$434,840	\$152.84
1520 Central Ave SE	1978	2 sty frame	1-5	1.619	900	944	4418	\$453,120	\$102.56
1645 3rd Ave SW	2006	1 sty frame	2-5	0.810	0	1471	2505	\$331,140	\$132.19
493 17th St SE	1995	1 sty brick	2-5	0.363	1500	901	2473	\$341,860	\$138.24
295 17th Ave SE	1997	1 sty brick	3+10	0.545	1800	1064	2016	\$308,690	\$153.12
1601 4th Ave SE	1996	1 sty brick	2-5	0.417	1000	1140	2851	\$338,460	\$118.72
140 17th St SE	1999	1 sty frame	3+10	0.368	1475	1142	1984	\$311,750	\$157.13
1548 1st Ave SW	1996	1 sty frame	2-5	0.345	1248	773	2328	\$312,900	\$134.41

Excluding the two-story dwelling, which is dissimilar, Sitzmanns' equity comparables range from \$118.72 per square foot to \$157.13 per square foot with a median of \$136.33 per square foot. Their property is within this range, but above the median. Considering the one-story dwellings, we note that the quality grade of the comparable properties range from good (3+10) to high quality (2-5). The Sitzmanns' dwelling is ranked at 1-10 which is superior to the highest quality grade of the

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<sup>1</sup> The property at 140 17th Street SE has an in-ground pool and sheds which are incorporated in the per-square foot improvement value.

comparables. According to the *Iowa Real Property Appraisal Manual*, properties in this grade exhibit excellent quality materials and workmanship. Additionally, the subject property has more square feet of basement finish and an attached garage that has more square feet than the equity comparables. These differences may account for the property assessment's higher per-square-foot value. A review of this data does not support Sitzmanns' claim of inequitable assessment.

Sitzmanns also offered three sales to support their claim of over-assessment, and Assessor Robert Heyderhoff provided an additional sale located at 2560 5th Avenue SE. The sale properties are one-story, frame dwellings similar to the subject property, except for 474 16th Street SE, which is a dissimilar, two-story, frame dwelling. The data, excluding the 16th Street property, is summarized in the following chart.

Address	Year Built	Grade	Acres	Base Fin SF	Garage SF	TSFLA	2011 AV	AVPSF	Sale Date	Sale Price	\$PSF
Subject	1998	1-10	0.660	2050	1496	2845	\$434,840	\$152.84			
2560 5th Ave SE	2006	2-5	0.856	1625	782	2457	\$361,730	\$147.22	3/4/10	\$395,000	\$160.77
605 Central NW	2000	2+5	1.309	1500	960	2424	\$384,940	\$158.80	9/15/08	\$425,000	\$175.33
1548 1st Ave SW	1996	2-5	0.345	1248	773	2328	\$312,900	\$158.80	12/08/10	\$318,000	\$136.60

The Sitzmanns' unadjusted sales range from \$160.77 per square foot to \$175.33 per square foot, with a median of \$136.60 per square foot. Sitzmanns' property's assessment is within this range, but above the median. Sitzmanns did not provide any adjustments to these sales. But the Assessor's Office, on behalf of the Board of Review, did make adjustments, which appear to be cost adjustments rather than market adjustments. These adjustments resulted in a indicated value range of \$427,303 to \$468,130. The adjusted values appear to support the assessment. Further, we note that the quality grade of all the comparable properties is high-quality construction (2-5 to 2+5). As previously noted, however, the Sitzmanns' dwelling is ranked at superior quality (1-10), which is above the highest quality grade of the comparables. Additionally, the subject property has more square feet of basement

finish and an attached garage that has significantly more square feet than the comparables. These differences may account for the property assessment's higher per-square-foot value. We also note that all of the identified properties sold for more than their assessed value.<sup>2</sup> A review of this data does not support Sitzmanns' claim of over-assessment.

Sitzmanns also provided photographs of the exterior and interior of their property as evidence of the need for updating including deck and carpet replacement, painting, and garage floor repairs.

Assessor Heyderhoff submitted a written statement on behalf of the Board of Review. He reported the sales offered by Sitzmanns had sales ratios of 96.4, 99.7, and 98.4, showing the sale prices exceeded the assessments. In his opinion, a review of the sales comparables exhibit supports a market value of \$466,000 for the subject property. Heyderhoff concluded that using this market value and comparing it to the assessment would yield a sales ratio of 93.3 and indicate under-assessment.

We find that Sitzmanns failed to prove by a preponderance of the evidence their property assessment is inequitable compared to like properties in the taxing jurisdiction or is over-assessed as of January 1, 2011.

### *Conclusion of Law*

The Appeal Board applied the following law:

The Appeal Board has jurisdiction of this matter under Iowa Code sections 421.1A and 441.37A (2011). This Board is an agency and the provisions of the Administrative Procedure Act apply to it. Iowa Code § 17A.2(1). This appeal is a contested case. § 441.37A(1)(b). The Appeal Board determines anew all questions arising before the Board of Review related to the liability of the property to assessment or the assessed amount. § 441.37A(3)(a). The Appeal Board considers only those grounds presented to or considered by the Board of Review. § 441.37A(1)(b). But new or additional evidence may be introduced. *Id.* The Appeal Board considers the record as a whole and all

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<sup>2</sup> The property at 605 Central Avenue NW was assessed for \$362,490 at the time of sale.

of the evidence regardless of who introduced it. § 441.37A(3)(a); *see also Ily-vee, Inc. v. Employment Appeal Bd.*, 710 N.W.2d 1, 3 (Iowa 2005). There is no presumption that the assessed value is correct. § 441.37A(3)(a).

In Iowa, property is to be valued at its actual value. Iowa Code § 441.21(1)(a). Actual value is the property's fair and reasonable market value. *Id.* "Market value" essentially is defined as the value established in an arm's-length sale of the property. § 441.21(1)(b). Sale prices of the property or comparable properties in normal transactions are to be considered in arriving at market value. *Id.* If sales are not available, "other factors" may be considered in arriving at market value. § 441.21(2). The assessed value of the property "shall be one hundred percent of its actual value." § 441.21(1)(a).

To prove inequity, a taxpayer may show an assessor did not apply an assessing method uniformly to similarly situated or comparable properties. *Eagle Food Centers v. Bd. of Review of the City of Davenport*, 497 N.W.2d 860, 865 (Iowa 1993). Alternatively, a taxpayer may show the property is assessed higher proportionately than other like property using criteria set forth in *Maxwell v. Shriver*, 257 Iowa 575, 133 N.W.2d 709 (1965). The gist of this test is the ratio difference between assessment and market value, even though Iowa law now requires assessments to be 100% of market value. § 441.21(1). Sitzmanns did not prove by a preponderance of the evidence that their property is inequitably assessed under either test.

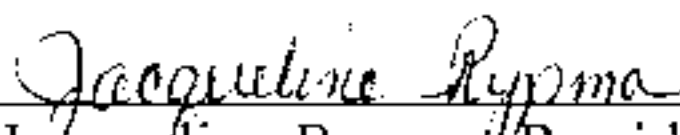
In an appeal that alleges the property is assessed for more than the value authorized by law under Iowa Code section 441.37(1)(b), there must be evidence that the assessment is excessive and the correct value of the property. *Boekeloo v. Bd. of Review of the City of Clinton*, 529 N.W.2d 275, 277 (Iowa 1995). Sitzmanns failed to prove by a preponderance of the evidence that their property was over-assessed as of January 1, 2011.

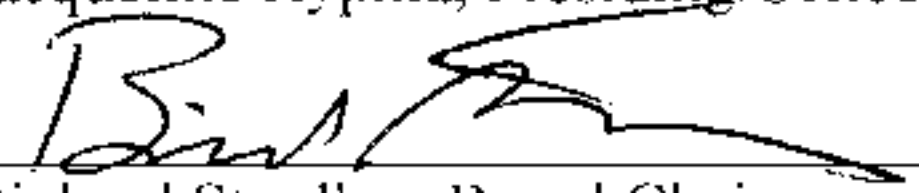
Viewing the evidence as a whole, we determine the preponderance of the evidence does not support Sitzmanns' claims of inequitable assessment or over-assessment as of January 1, 2011.

Therefore, we affirm the property assessment as determined by the Board of Review of \$434,840, representing \$60,540 in land value and \$374,300 in dwelling value as of January 1, 2011.

THE APPEAL BOARD ORDERS that the January 1, 2011, assessment as determined by the Plymouth County Board of Review is affirmed as set forth above.

Dated this 23 day of February 2012.

  
Jacqueline Rypma, Presiding Officer

  
Richard Stradley, Board Chair

  
Karen Oberman, Board Member

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Certificate of Service	
The undersigned certifies that the foregoing instrument was served upon all parties to the above cause & to each of the attorney(s) of record herein at their respective addresses disclosed on the pleadings on <u>2-23</u> , 2012.	
By:	<input checked="" type="checkbox"/> U.S. Mail <input type="checkbox"/> FAX
	<input type="checkbox"/> Hand Delivered <input type="checkbox"/> Overnight Courier
	<input type="checkbox"/> Certified Mail <input type="checkbox"/> Other
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